

REVISED FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: March 6, 1996

SUBJECT: **SB 0165 - HB 0151 (REVISED)**

On February 10, 1995 we issued a fiscal note on this bill which indicated that:

The fiscal impact from enactment of this bill is estimated to be minimal.

This estimate was based upon the fact that TennCare covered the cost of this procedure to deal with PKU and there would be no increased cost to this program. According to the Department of Health they are aware of 81 cases statewide. Approximately 1 in 16,000 births is afflicted with PKU and is in need of a special diet. This indicates a rate of about 5 per year in Tennessee. The cost of providing the special diet is approximately \$600 per month.

Based upon further information the fiscal note should read as follows:

The fiscal impact of this bill is minimal to state government because the procedure is covered under the TennCare program. The enactment of this bill will not increase expenditures for state government

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health benefits because the state plan is self-insured and not subject to such regulation.

The fiscal impact from enactment of this bill is also estimated to be an increase in expenditures to local governments. The amount of such increase cannot be determined but is estimated not to exceed \$100,000.

The enactment of this bill is also estimated to result in an increase in cost to the health industry from mandated coverage. Such increase cannot be determined but is estimated to exceed \$100,000. This impact is included as required by T.C.A. 3-2-111.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James A. Davenport". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

James A. Davenport, Executive Director